

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

**BOARD OF ADMINISTRATION**

**INVESTMENT COMMITTEE**

**February 14, 2006**

**PLACE:**

**Lincoln Plaza North  
Auditorium  
400 Q Street  
Sacramento, California**

**TIME:**

**CLOSED SESSION      8:30 a.m.**

**CHIEF INVESTMENT OFFICER'S BRIEFING ON  
MARKET AND PERSONNEL ISSUES  
(Government Code sections 11126(a)(1) and (c)(16))**

**CHIEF INVESTMENT OFFICER RECRUITMENT  
(Government Code sections 11126(a)(1) and (g)(1))**

**OPEN SESSION      9:00 a.m.**

**CLOSED SESSION      Upon adjournment or recessing of Open Session  
(Government Code section 11126(c)(16))**

**ROLL CALL:**

**Committee Members**

**Charles Valdes, Chair  
George Diehr, Vice Chair  
Philip Angelides  
Marjorie Berte  
Robert F. Carlson  
Rob Feckner  
Priya Mathur  
Michael Navarro  
Tony Oliveira  
Mike Quevedo, Jr.  
Kurato Shimada  
Maeley Tom  
Steve Westly**

	1. CALL TO ORDER AND ROLL CALL
ACTION	2. Approval of Agenda
ACTION	3. Approval of the December 12, 2005 Open Session Minutes
ACTION / INFORMATION	4. Real Estate <ul style="list-style-type: none"> <li>a. R Street Subcommittee Report</li> </ul>
INFORMATION	5. Alternative Investment Management (AIM) Program <ul style="list-style-type: none"> <li>a. California Initiative Update</li> </ul>
ACTION / INFORMATION	6. Global Equity <ul style="list-style-type: none"> <li>a. New Enhanced Indexing Initiative</li> <li>b. Legislative Reports: Holocaust Era and Northern Ireland Annual Reports</li> <li>c. Executive Compensation Strategic Plan Update</li> <li>d. Update on Investments in Companies Doing Business in the Sudan</li> <li>e. Corporate Governance Internal Staff Working Group Update</li> <li>f. Permissible Equity Market Investment Analysis Update</li> <li>g. Manager Development Program II Update</li> </ul>
ACTION / INFORMATION	7. Global Fixed Income <ul style="list-style-type: none"> <li>a. Credit Enhancement Program Annual Review</li> <li>b. International Fixed Income RFP Request with Spring-Fed Pool</li> </ul>
CONSENT	8. Policy Subcommittee Report <ul style="list-style-type: none"> <li>a. Real Estate Policies           <ul style="list-style-type: none"> <li>1) Revision of Equity Real Estate</li> <li>Revision of Opportunistic Real Estate</li> <li>2) Revision of Equity Real Estate Leverage</li> </ul> </li> <li>b. Equity Policy           <ul style="list-style-type: none"> <li>1) Adoption of International Enhanced Index Strategy – Externally Managed</li> </ul> </li> <li>c. Fixed Income Policy           <ul style="list-style-type: none"> <li>1) Revision of Dollar-Denominated Fixed Income Short Duration Investment</li> </ul> </li> </ul>
INFORMATION / CONSENT	9. Chief Investment Officer's/Assistant Executive Officer's Report <ul style="list-style-type: none"> <li>a. Consolidated Investment Activity Report</li> <li>b. Selection of Master Custodian</li> </ul>
INFORMATION	10. Draft Agenda for March 13, 2006
	11. Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

# **CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

## **BOARD OF ADMINISTRATION**

### **INVESTMENT COMMITTEE**

**February 14, 2006**

<b>CLOSED SESSION</b>	<b>Upon adjournment or recessing of Open Session</b> (Government Code section 11126(c)(16))	
	1.	CALL TO ORDER AND ROLL CALL
ACTION	2.	Approval of the December 12, 2005 Executive Closed and Closed Session Minutes
ACTION / INFORMATION	3.	Asset Allocation Update
ACTION / INFORMATION	4.	Real Estate <ul style="list-style-type: none"><li>a. Delegation to Authorize Purchase of International REITs</li><li>b. Portfolio Acquisitions</li></ul>
INFORMATION	5.	Alternative Investment Management (AIM) Program <ul style="list-style-type: none"><li>a. Strategic Partner Update: TWP</li></ul>
ACTION / INFORMATION	6.	Global Equity <ul style="list-style-type: none"><li>a. Corporate Governance – Executive Compensation Strategic Plan Update</li><li>b. External Manager Update</li></ul>
INFORMATION	7.	Global Fixed Income <ul style="list-style-type: none"><li>a. External Manager Update</li></ul>
INFORMATION	8.	Chief Investment Officer's/Assistant Executive Officer's Report <ul style="list-style-type: none"><li>a. Status of Action Items Not Yet Reported</li></ul>
CONSENT	9.	Activity Reports <ul style="list-style-type: none"><li>a. Alternative Investment Management Program</li><li>b. Risk Managed Absolute Return Strategies Program</li><li>c. Public Markets</li></ul>